

after such date) provides, or has been construed to provide by a court of competent jurisdiction pursuant to a decision issued on or before September 13, 1995, that only punitive damages may be awarded in such an action.

This subsection shall cease to apply to any civil action filed on or after the first date on which the applicable State law ceases to provide (or is no longer construed to provide) the treatment described in paragraph (2)."

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to amounts received after the date of the enactment of this Act, in taxable years ending after such date.

(2) EXCEPTION.—The amendments made by this section shall not apply to any amount received under a written binding agreement, court decree, or mediation award in effect on (or issued on or before) September 13, 1995.

SEC. 1606. REPEAL OF DIESEL FUEL TAX REBATE TO PURCHASERS OF DIESEL-POWERED AUTOMOBILES AND LIGHT TRUCKS.

(3) IN GENERAL.—Section 6427 (relating to fuels not used for taxable purposes) is amended by striking subsection (a).

(4) CONFORMING AMENDMENTS.—

(1) Paragraph (3) of section 34(a) is amended to read as follows:

"(3) under section 6427 with respect to fuels used for non-taxable purposes or resold during the taxable year (determined without regard to section 6427(k))."

(2) Paragraphs (1) and (2)(A) of section 6427(i) are each amended—

(5) by striking "(a).", and

(6) by striking "(or a qualified diesel powered highway vehicle purchased)" each place it appears.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to vehicles purchased after the date of the enactment of this Act.

SEC. 1607. EXTENSION AND PHASEDOWN OF LUXURY PASSENGER AUTOMOBILE TAX

(7) EXTENSION.—Subsection (f) of section

4001 is amended by striking "1999" and inserting "2002".

(8) PHASEDOWN.—

Section 4001 is amended by redesignating subsection (f) (as amended by subsection (a) of this section) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) PHASEDOWN.—

For sales occurring in calendar years after 1995 and before 2003, subsection (a) shall be applied by substituting for 10 percent * the percent age determi

ned in accordance with the
following table:

"If the calendar year is:

The

percentage is:

1996.....	9
percent	
(9).....	8
percent	
(10).....	7
percent	
(11).....	6
percent	
(12).....	5
percent	
2001.....	4
percent	
2002.....	3
percent	

26 USC
104 note.

26 USC 34
note.